

Postsecondary and Adult Education

Budget Review Subcommittee on Education
House of Representatives

Thomas D. Layzell, President
Council on Postsecondary Education
February 10, 2005

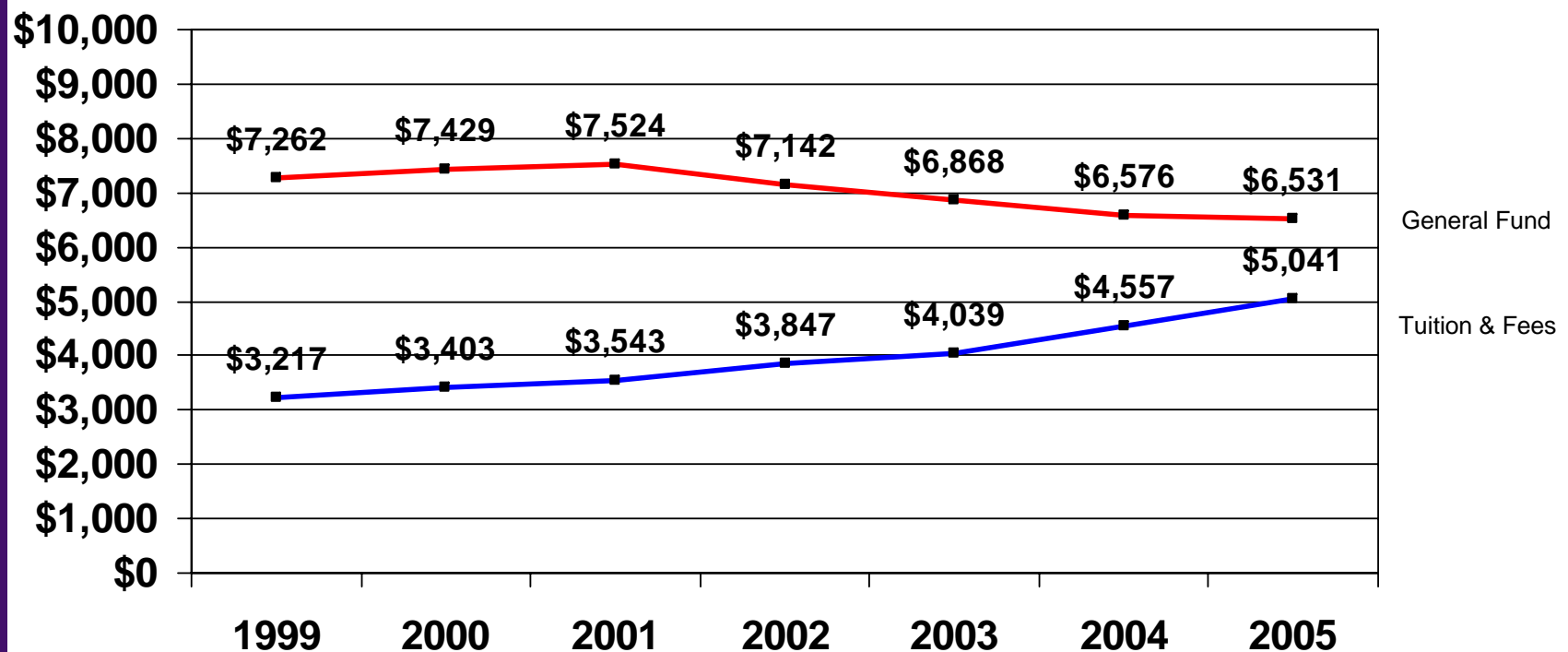


Postsecondary and Adult Education General Fund Budget Comparison

	Fiscal Year 2005 (In Millions)			Fiscal Year 2006 (In Millions)		
	<u>CPE Recomm.</u>	<u>Exec. Recomm.</u>	<u>Difference</u>	<u>CPE Recomm.</u>	<u>Exec. Recomm.</u>	<u>Difference</u>
Institutional Operations	\$1,043.2	\$960.1	(\$83.1)	\$1,095.4	\$982.7	(\$112.7)
Pass-Through / Trust Funds	\$18.2	\$19.1	\$0.9	\$103.6	\$21.1	(\$82.5)
KY Adult Education Grants	\$20.6	\$19	(\$1.6)	\$20.6	\$19.5	(\$1.1)
Financial Aid	\$66.6	\$75.4	\$8.8	\$65.4	\$69.5	\$4.1
Capital Investment	\$0.6	\$0	(\$0.6)	\$36.7	\$1.1	(\$35.6)
Council/KYAE/KYVU	\$11.8	\$10.6	(\$1.2)	\$12.4	\$10.8	(\$1.6)
Total	\$1,161	\$1,084.2	(\$ 76.8)	\$1,334.1	\$1,104.7	(\$229.4)

Source: Council on Postsecondary Education

Funding Per Full Time Equivalent Student Public Postsecondary Institutions



Source: Council on Postsecondary Education

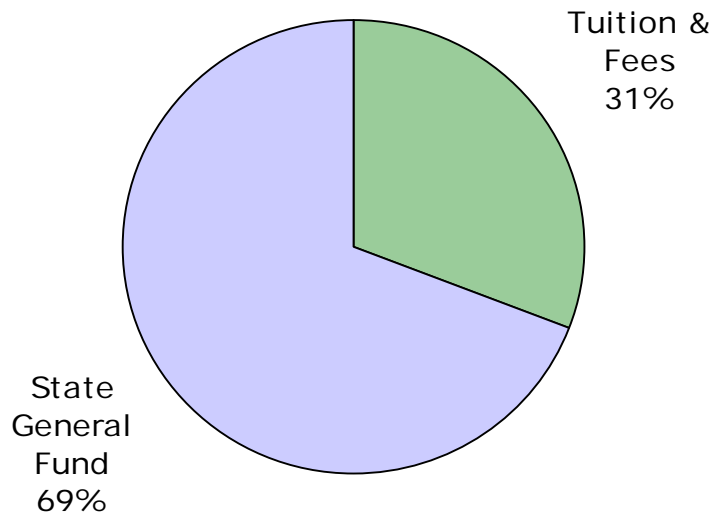
Comparison of Funding per FTE, Enrollment, and Inflation – Annual Percentage Public Postsecondary Institutions

	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	Cumulative 2000-2004
General Fund Appropriation	2%	3.3%	-5%	-3.9%	-4.2%	-7.9%
Tuition and Fee Revenue	5.8%	4.1%	8.6%	5%	12.8%	41.7%
Total Public Funds (Tuition & Fees + General Fund Appropriation)	3.2%	3.6%	-0.7%	-0.8%	2.1%	7.5%
Inflation	2.9%	3.4%	1.8%	2.2%	2.2%	13.1%
FTE Enrollment	0.1%	2.2%	7.1%	5.8%	4%	20.5%

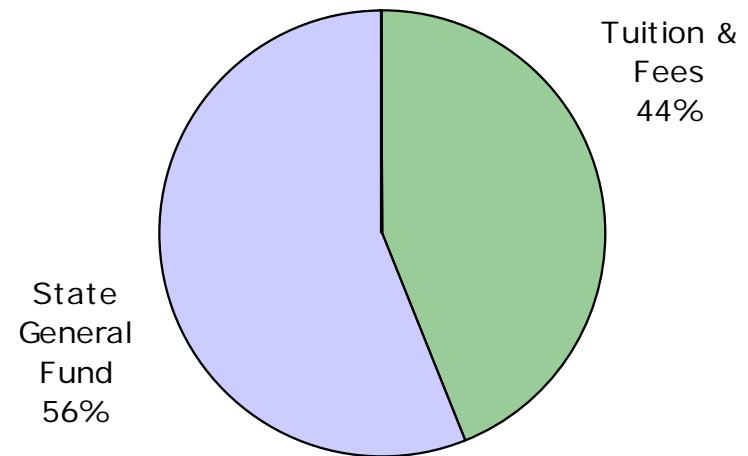
Source: Council on Postsecondary Education and Bureau of Labor Statistics

Comparison of Total Public Funds Revenue Kentucky Public Postsecondary Institutions FY 1999 and FY 2005

Actual
1999

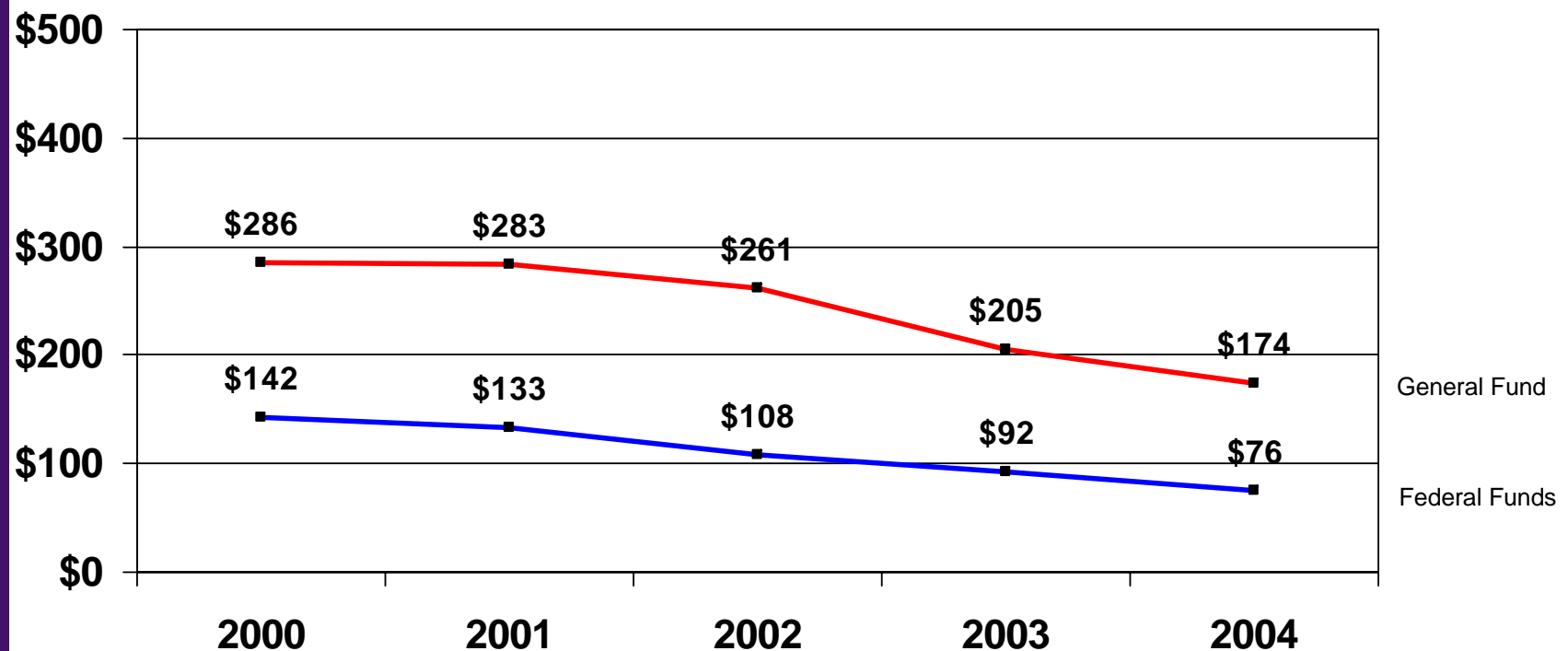


Budgeted
2005



Source: Council on Postsecondary Education

Funding Per Student Kentucky Adult Education



Source: Kentucky Adult Education

1997 Kentucky Postsecondary Education Improvement Act – HB 1

Six goals for the postsecondary education system:

- A seamless, integrated system of postsecondary education strategically planned and adequately funded to enhance economic development and quality of life.
- A major comprehensive research institution ranked nationally in the top twenty (20) public universities at the University of Kentucky.
- A premier, nationally-recognized metropolitan research university at the University of Louisville.

1997 Kentucky Postsecondary Education Improvement Act – HB 1

Six goals for the postsecondary education system (continued):

- Regional universities with at least one (1) nationally-recognized program of distinction or one (1) nationally-recognized applied research program, working cooperatively with other postsecondary institutions to assure statewide access to baccalaureate and master's degrees of a quality at or above the national average.
- A comprehensive community and technical college system with a mission that assures, in conjunction with other postsecondary education institutions, access throughout the Commonwealth to a two (2) year course of general studies, training necessary to develop a workforce with the skills to meet the needs of new and existing industries, and remedial and continuing education to improve the employability of citizens.
- An efficient, responsive, and coordinated system of autonomous institutions that delivers educational services in quantities and of a quality that is comparable to the national average.

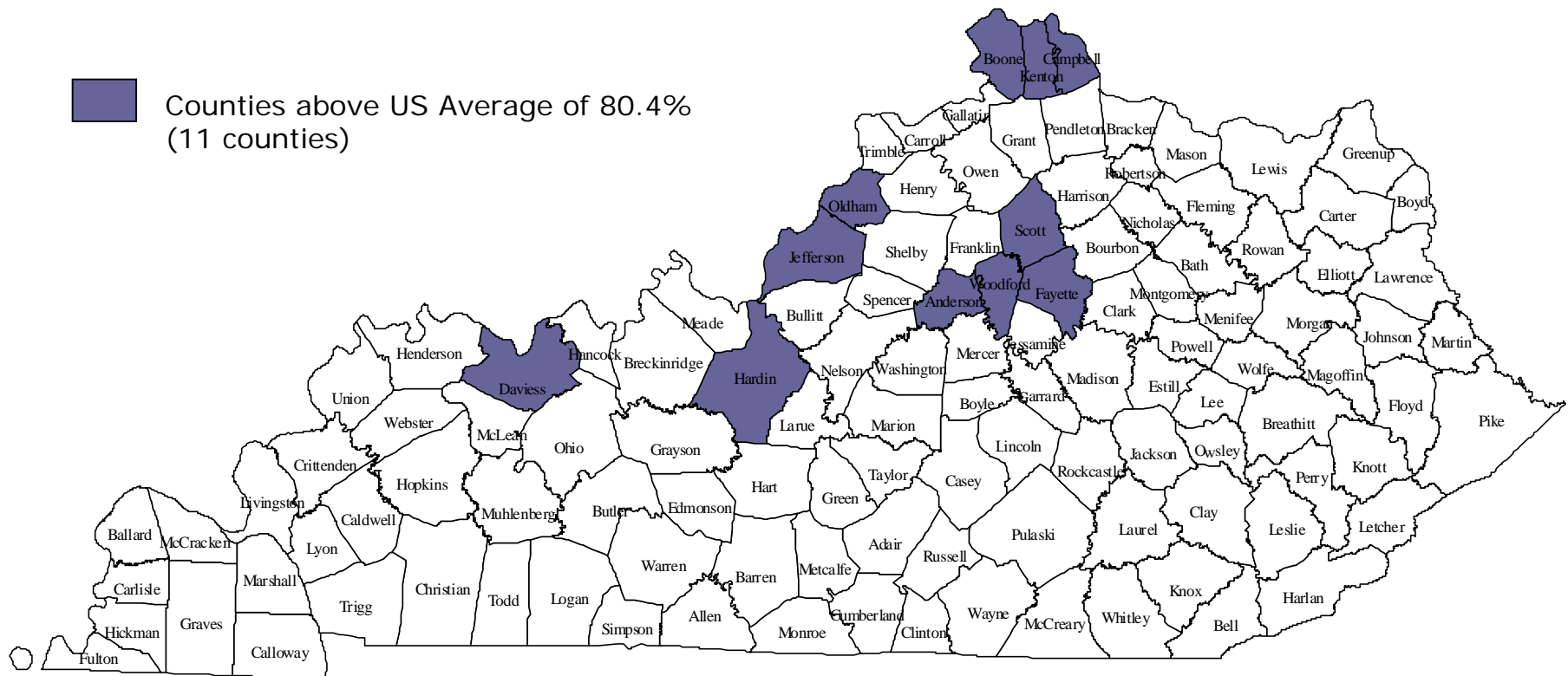
The Adult Education Act of 2000 – SB 1

“Adult illiteracy is the fundamental barrier to every major challenge facing Kentucky, including early childhood education, education reform, economic development, and improving the health and well being of Kentucky’s families and communities.” (SB 1)

Achieving the Public Agenda


- Over the next 15 years we will need to double the number of Kentuckians with at least a bachelor's degree from 400,000 to approximately 800,000.
 - To meet this goal the postsecondary system must
 - Recruit and enroll more students.
 - Ensure more students persist to certificate and degree completion.
 - Keep graduates living and working in the state.
- Over the next five years, we must more than double Kentucky Adult Education enrollment from 120,000 to 300,000 to reach 30 percent of Kentuckians at the lowest literacy levels.

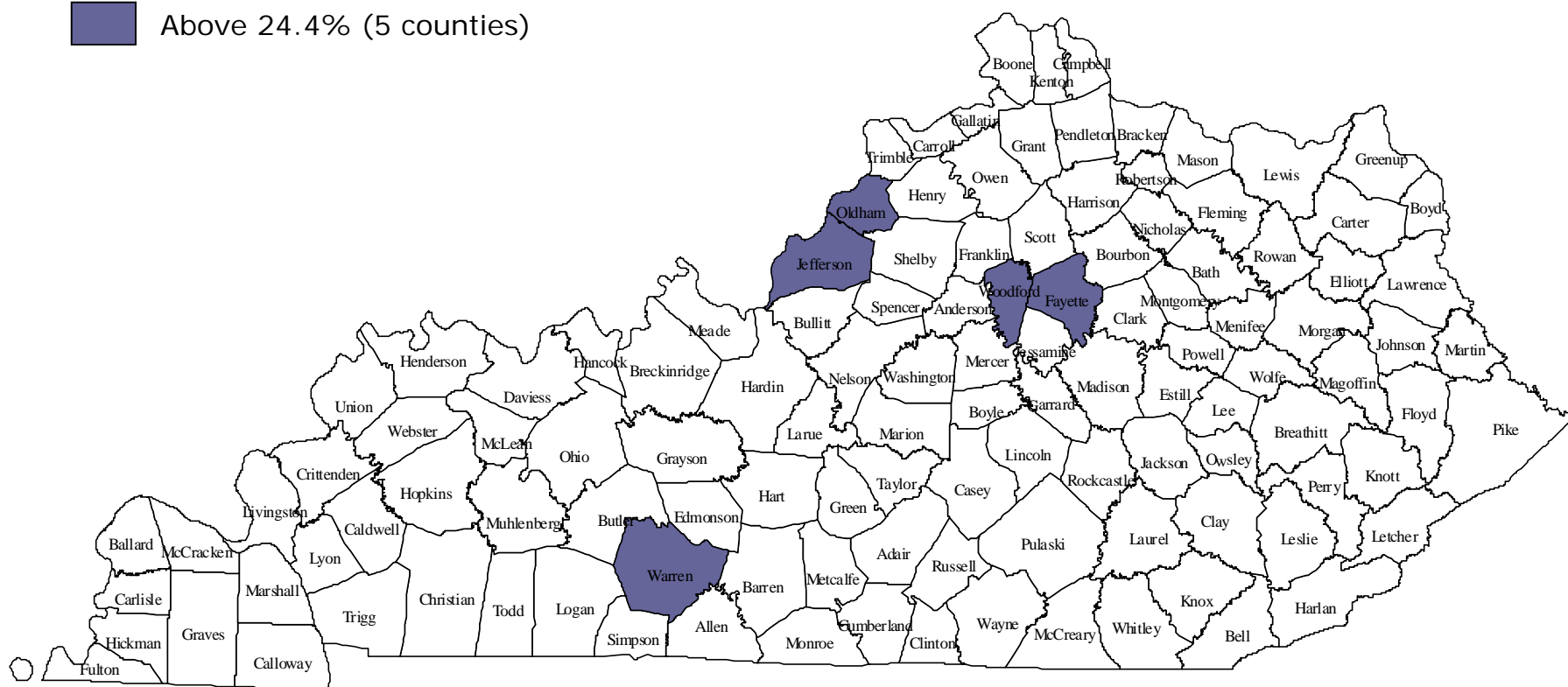
Counties Above US Average in Percent of Adults 25 and Older with a High School Diploma or GED, 2000



Source: U.S. Census Bureau

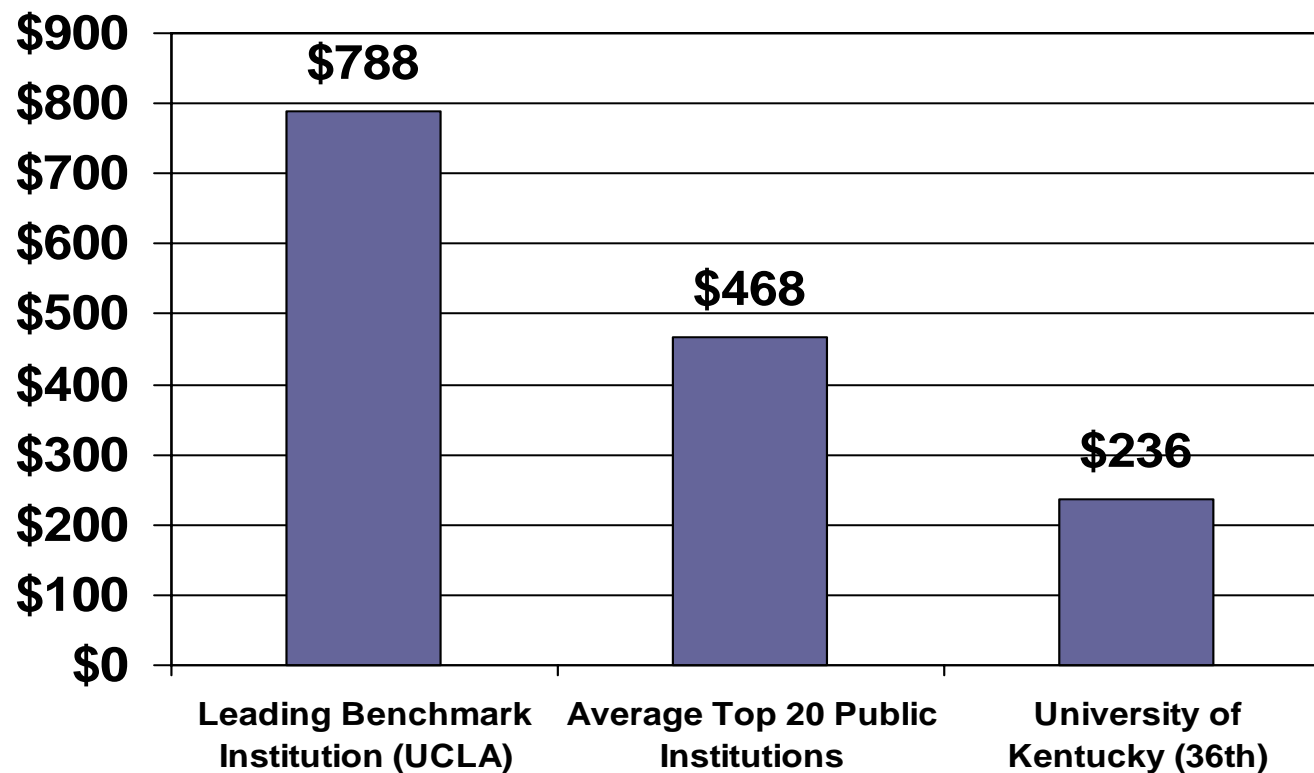
Counties Above the US Average in Percent of Adults 25 and Older with a Bachelor's Degree or Higher, 2000

 Above 24.4% (5 counties)



University of Kentucky

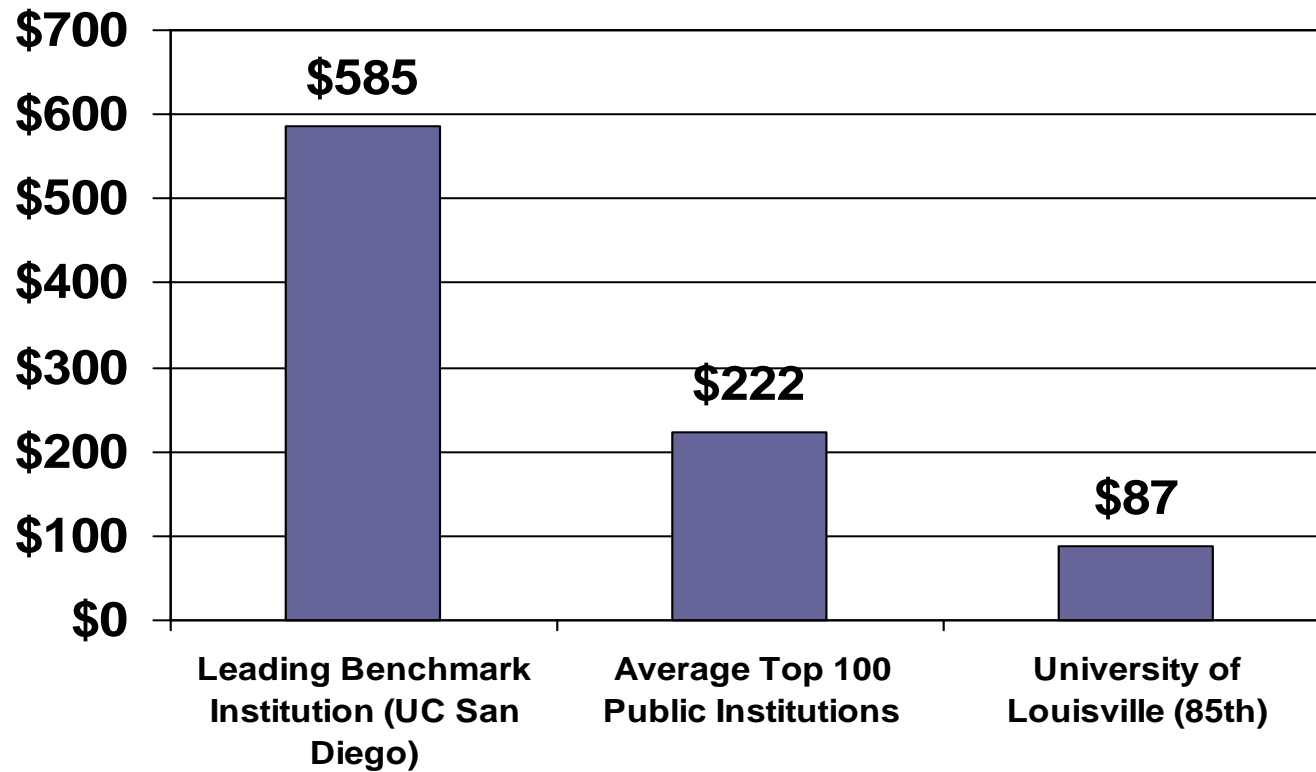
Investment in Research and Development – All Fund Sources 2002 (In millions)



Source: National Science Foundation

University of Louisville

Investment in Research and Development – All Fund Sources 2002 (In millions)



Source: National Science Foundation

Return on Investment

- If we produce more graduates and keep them working in Kentucky, the added earning power alone will more than make up for the investments needed.
- According to a recent Kentucky Long-Term Policy Research Center Analysis, the state could expect a cumulative increase of more than \$5 billion in revenue if we reach the national average in educational attainment by 2020.